



City of Colorado Springs

City Hall
107 N. Nevada Avenue
Colorado Springs, CO
80903

Meeting Minutes - Final Council Work Session

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Monday, May 9, 2016

1:00 PM

Council Chambers

1. Call to Order

- Present** 8 - Councilmember Larry Bagley, President Merv Bennett, Councilmember Helen Collins, President Pro Tem Jill Gaebler, Councilmember Keith King, Councilmember Don Knight, Councilmember Bill Murray, and Councilmember Tom Strand
- Excused** 1 - Councilmember Andy Pico

2. Changes to Agenda

There were no changes to the agenda.

3. Regular Meeting Comments

Councilmember Knight stated he will pull agenda item 4.B.C. from the Consent Calendar tomorrow. He intends to divide the question; he supports the appointments to Pikes Peak Regional Building but will be requesting a delay on the other two items as he feels discussion needs to take place regarding the difference between Council appointments and affirmations of board members.

4. Review of Previous Meeting Minutes

- 4.A. [16-365](#) City Council Work Session Meeting Minutes April 25, 2016

Presenter: Sarah Johnson, City Clerk

The meeting minutes were approved as presented.

5. Executive Session

5A. Open

There was not an open executive session.

5B. Closed

There was not a closed executive session.

6. Staff and Appointee Reports

6.A. [15-00761](#) Financial Report - City of Colorado Springs

Councilmember Murray requested the City prepare a document outlining a potential financial plan in the event of an economic downturn.

6.B. [15-00788](#) Agenda Planner Review

Presenter:

Eileen Lynch Gonzalez, City Council Administrator

Eileen Gonzalez, City Council Administrator, noted the Tobacco Education and Prevention presentation included on the May 23, 2016 work session agenda will be delayed. There will also be an item regarding the extension of the cable franchise agreement past its current expiration, set for June 30, 2016. A request for a further extension will come to Council at its June meetings.

Councilmember Collins requested additional information about the Airport Annexation items included on the May 24, 2016 agenda be provided earlier than the normal agenda deadline.

Councilmember Knight requested information on item 1. under new business on May 24, the vacation of right-of-way, be provided to Council as soon as possible, and requested an update on the Pikes Peak Observatory. Jeff Greene, Chief of Staff, stated the observatory update will be scheduled for the May 23, 2016 work session.

7. Presentations for General Information

7.A. [16-00022](#) Quarterly Strategic Plan Implementation Update

Presenter:

Nina Vetter, Senior Analyst, Finance

Nina Vetter, Senior Financial Analyst, provided an update on the progress of the Strategic Plan for the first quarter of 2016.

Councilmember Strand asked how many jobs were provided for homeless individuals in the first quarter. Ms. Vetter will research this and provide the information to Council.

Council President Pro Tem Gaebler requested feedback on Council

meeting their initiatives be included in the next report.

8. Items for Introduction

- 8.A.** [16-271](#) A Resolution Authorizing the Mayor to Set the Budgets of Certain Stormwater CIP Projects to Zero in the Total Amount of \$3,150,000 and Transfer \$3,150,000 of Budget in the General Fund from the Finance Appropriating Department to the Public Works Appropriating Department for the Stormwater Budget

Presenter:

Travis Easton, P.E., Public Works Director

Res/Ord Number: 49-16

Travis Easton, Public Works Director, provided a summary of the events leading to this necessary reallocation of funds.

Councilmember Knight requested information about the specific projects, including the location and scope of each project be provided to Council. Mr. Easton will provide this information via email.

Councilmember Knight requested clarification on how these funds were allocated in the 2016 budget and how the reallocation is being conducted. Ms. Skinner explained the process and will meet with Councilmember Knight to individually to provide further clarification.

- 8.B.** [16-361](#) Resolution Approving an Amended 2016 Operating Plan and Budget for the Interquest North Business Improvement District (Legislative Item)

Presenter:

Carl Schueler, Comprehensive Planning Manager

Res/Ord Number: 53-16

Carl Schueler, Comprehensive Planning Manager, provided an overview of this proposal.

Councilmember Strand asked what the interest rate on the bonds issued in 2010 was. Mr. Schueler stated he believes the rate was around 10%. The 8.5% interest rate on the proposed bonds is a little higher than the average due to the limited number of properties and the commercial nature of the development.

Russ Dykstra with the Spencer Fane, Attorney representing the BID,

explained the nature of this property is the reason for the higher interest rate associated with the bonds and added this bond rate is lower than the original interest rate due the maturity of the development.

Councilmember Knight expressed concern about increasing the maximum debt limit for this development and asked if there is a standard debt limit established by Planning. Mr. Schueler stated debt amounts are generally established by the petitioner.

Councilmember Murray asked if the bonds will go for future improvements. Mr. Schueler stated the improvements have been completed and are generating sufficient revenue to justify the debt issuance. Mr. Schueler stated this is common practice for developers to reimburse themselves for the cost of completing public improvements through debt issuance.

- 8.C.** [16-270](#) Authorization of Interquest North Business Improvement District to issue up to \$4,765,000 in debt as a Limited Tax General Obligation Bond. (Legislative Item)

Presenter:

Carl Schueler, Comprehensive Planning Manager, Planning and Community Development

Res/Ord Number: 54-16

Please see comments in agenda item 8.B.

- 8.D.** [16-245](#) A Resolution Approving the 2016 Action Plan for the use of Federal Block Grant Funds (CDBG, HOME, ESG) Provided Through the U.S. Department of Housing and Urban Development.

Presenter:

Aimee Cox, Manager, Community Development

Aimee Cox, Community Development Manager, explained the City is eligible to receive Federal funds through HUD for improvement projects upon completion of the application process. Ms. Cox provided a summary of the proposed projects included in this application. This item will be included on the June 14, 2016 City Council agenda.

Council President Pro Tem Gaebler asked if the department coordinates with other City entities planning similar projects. Mr. Cox stated they work with the other entities to ensure coordination of efforts. Ms. Gaebler asked how funds are maximized. Ms. Cox stated they review

applications and carefully consider the best options for the community. Ms. Gaebler asked how funds received by Colorado Springs compare to funds received by other similar sized cities. Ms. Cox stated comparable cities receive similar fund amounts.

Councilmember Strand asked what the trends are and how the City is working to address those. Ms. Cox stated the main trends are providing affordable housing, ending homelessness and creating jobs and stated the goals of this program address these trends.

Councilmember Strand questioned the change in the affordable housing assistance budget amount, public transportation needs and asked if the transition of code enforcement into the planning department has improved code enforcement efforts. Ms. Cox stated the affordable housing assistance budget reflects planned projects they anticipate supporting. Community Development does not address public transportation but provides support and improves access to transit stops. The transition of the Code Enforcement Department has improved communication and coordination of efforts.

Councilmember Knight noted he does not agree with the Council budget hearing being considered a public needs hearing and requested a summary of the citizen comments received in the public needs assessment process along with a list of any proposed projects that did not receive funding and why. Ms. Cox will provide the requested information.

8.E. [16-253](#)

A Resolution Approving the Issuance of Debt by Copper Ridge Metropolitan District in the Form of a Limited Tax General Obligation Loan. (Legislative Item)

Presenter:

Carl Schueler, Comprehensive Planning Manager, Planning and Community Development

Carl Schueler, Comprehensive Planning Manager, provided an overview of this proposed additional debt issuance to reimburse the developer for completed public improvement projects.

Councilmember Knight commented on the debt ceiling for this development. Mr. Schueler stated this is a one-time approval unless there is a request to amend the service plan.

Alex Brown, financial advisor for the BID, explained this proposal lowers the interest rate and extends the repayment schedule, creating a better financial situation for the district.

9. Items Under Study

9.A. [16-00078](#) A Resolution Authorizing a Land Exchange between the City of Colorado Springs and the Broadmoor

Res/Ord Number: 55-16

Ronn Carlentine, Manager, Real Estate Services, provided a summary of the appraisals and the appraisal process including the valuation process.

Councilmember Murray asked why the North Cheyenne Canon-Strawberry Hill area was assessed using a restricted appraisal. Mr. Carlentine stated the restricted report was used because it provided the needed information and there is no monetary exchange involved with this proposal.

Councilmember Murray requested additional information about a parcel of property, the Barr Trail easement, which is included in this proposal and as part of another land exchange. Karen Palus, Director of Parks, Recreation and Cultural Services, stated the Barr Trail easement is included as part of a proposed land exchange with the United States Forest Service, this is easement access, not property ownership.

Councilmember Murray asked about assumptions included in the appraisal report. Richard Muegge, Muegge and Associates, Inc., the independent third party appraiser hired to review the appraisals, stated his role was to determine the credibility and quality of the appraisals; he did not assign any property values.

Councilmember Strand asked how much the City paid for the appraisal and appraisal review. Mr. Carlentine stated the original appraisal cost the City \$11,500 and the review cost an additional \$6,200.

Councilmember Strand stated he has received comments from citizens about the appraisal review report not being appropriate or credible for the property being considered and asked why this could be the public opinion. Mr. Muegge stated this is true of the North Cheyenne Canon-Strawberry Hill area, as the restricted appraisal report did not include all of the information considered in determining the property

value. When asked if a second appraisal would be beneficial to determining the value of the property, Mr. Muegge suggested he could ask Mr. Wiggington to provide him with the information the appraisal value was based on.

Councilmember Murray stated he requested the appraisal information and has not received it. Wynetta Massey, City Attorney, explained to Councilmember Murray that he does not have the authority to request or receive that information, adding, a value was placed on the property by the appraiser, and the appraisal review did not recommend a change in the property value based on the restricted report. Mr. Muegge clarified his statement was not that the original appraisal was not accurate, but that there was not adequate information for him to make an informed decision regarding the credibility of the appraised property value. Mr. Muegge provided a detailed explanation of the appraisal review process and stated he was contracted to confirm the credibility of the appraisal.

Councilmember Knight asked why the original appraisal documents are not available. Ms. Massey stated the Parks Department has not requested the documents. Jeff Greene, Chief of Staff, stated Councilmember Murray is requesting documentation the City has never received. Appraisers only release these documents under subpoena requests. City Council does not have the power to subpoena these documents.

Councilmember Knight expressed concern about the ability of Council to make an informed decision regarding the property without knowing the validity of the appraisal amount. Mr. Greene stated the requested information is proprietary to the appraiser. Mr. Muegge previously addressed his concerns about the appraisal with Mr. Wiggington and a revised appraisal report has been prepared.

Councilmember Knight suggested Mr. Muegge review the revised appraisal and provide a conclusive decision.

Ms. Massey suggested Mr. Muegge request the working documents from Mr. Wiggington and provide a final determination based on the revised appraisal and the working documents. Mr. Muegge agreed to this proposal.

10. Councilmember Reports and Open Discussion

Council President reminded Council of the Council retreat with the

Mayor scheduled for the afternoon of May 19, 2016 at the airport.

Council President Bennett stated the town hall meeting to allow public comment on the proposed land exchange is tonight at 6 pm; discussion will start with the Mayor's statements and Staff Report and then one hour of comment time will be allowed for those in support and one hour for those in opposition. Consensus of Council agreed with this proposed proceeding.

Councilmember Bagley provided an update on the activities of the marijuana working group.

Councilmember Knight commented on houses built in potential landslide areas, stating this is a Land Use issue which is Council business. Council needs to investigate this situation and look for corrective actions that can be taken. He would like to establish a working group for this purpose, and consider placing a moratorium on development in potential landslide areas. Bret Waters, Deputy Chief of Staff, stated the City is working on this aggressively and would like to join with Council on this effort. Council President Pro Tem Gaebler stated this issue should be included in the Comprehensive Plan. Mr. Waters stated this is a very complex situation; houses that have not moved in 50 years are moving. Council continued to discuss the importance of handling this situation.

Councilmember Strand thanked Council for allowing him to attend a regional RBA visit to Columbus, Ohio recently. He reviewed some of the initiatives used by the city of Columbus to fuel growth and development and will provide a complete report to Council in the near future.

Councilmember Strand also spoke about a meeting he attended to discuss Colorado Springs potentially hosting a Cyber games event.

Ms. Gonzalez reviewed the Councilmember requests from the meeting today, the requests are as follows:

Councilmember Knight plans to pull agenda item 4.B.C. off Consent tomorrow to separate RBD from the other two appointments; review whether Council prefers to do interviews for those two items.

Councilmember Murray would like input from City Staff as to planning for a fiscal downturn of 5 - 10%.

Councilmember Knight requested an update in the planned observatory. This will be included in the May 23rd work session.

Councilmember Knight would like information on the vacation of right-of-way on E. Navajo & S. Nevada as soon as possible. Planner Ryan Tefertiller will be contacted regarding this request.

Councilmember Collins would like more info on Airport Annexation surrounding Space Village & Marsheffel. Planner Michael Schultz will be contacted regarding this request.

Councilmember Knight will connect with Mr. Easton and Ms. Skinner offline regarding location and cost of stormwater projects that are referred to in materials by number and information about the appropriating departments (finance, public works, general costs).

Councilmember Knight requested a summary and breakdown of public comments regarding the CDBG item, and information about projects that were not selected for funding. Ms. Cox said a robust summary will be in the final application packet.

Councilmember Knight needs to see both previous and proposed budgets for the Interquest items, specifically wants to see Exhibit B as proposed in October 2015 as well as what is proposed in the amended proposal.

Councilmember Murray would like additional information about the Jones Park appraisal. Have Mr. Carlentine confirm this property was appraised as "ag".

Councilmember Knight noted that, after the last Council meeting there were a string of articles about landslide issues, and asserts that by not addressing land use in these areas, Council is shirking its responsibilities. He would like to be included in discussions leading to a possible after-action report, which may or may not include a moratorium on new developments (would not apply to previously approved developments) in those areas. Mr. Waters noted that staff have been working on this issue for a long time, and he will work with Council members on this.

11. Adjourn

There being no further business to come before City Council, Council adjourned.

Sarah Johnson, City Clerk